



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Special Agent in Charge Kathy A. Enstrom*

Date: Wednesday, January 22, 2014

Contact: Craig Casserly
IRS – Criminal Investigation
401 N. Front Street
Columbus, Ohio 43215
(614) 744-3130
Craig.casserly@ci.irs.gov
CI Release #: CINFO-2014-06

LOCAL WOMAN PLEADS GUILTY TO IDENTITY THEFT AND SUBMITTING FALSE INCOME TAX REFUNDS

CINCINNATI, OHIO – Bertha Walker, 45, of Cincinnati, Ohio, pleaded guilty one count of conspiracy to file false claims for federal income tax refunds with the Internal Revenue Service (IRS) and to one count of identity theft. Walker faces a maximum of 15 years in prison and a fine of up to \$250,000.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office, announced the guilty plea entered before U.S. District Judge Michael R. Barrett.

According to court documents, between January 2008 and May 2010 Walker conspired to defraud the IRS by electronically filing false claims for federal income tax refunds for the 2007, 2008, and 2009 income tax years.

Walker prepared and electronically filed income tax returns through on-line tax preparation websites, using computers at the Cincinnati Public Library and on her own laptop computer. Walker submitted false Form's W-2 which reported fictitious wages and federal withholdings from legitimate businesses without the business' knowledge or consent. The fictitious Form's W-2 contained income and federal withholdings that qualified the taxpayers to claim the Earned Income Tax Credit and the Making Work Pay Credit when the fraudulent income tax returns were filed. Without the fictitious Form's W-2, the taxpayers would not be entitled to claim these credits. In addition, for a fee, Walker allowed others to use her laptop computer to prepare and file fraudulent income tax returns.

As a result of this scheme, Tax Refund Anticipation Loan checks, U.S. Treasury tax refund checks, and prepaid debit cards containing the fraudulent income tax refunds were mailed to addresses controlled by Walker and others. Walker collected a large portion of the fraudulent income tax refunds generated by this scheme. Some of the taxpayers did not receive any portion of the income tax refund because Walker kept the entire income tax refund without their knowledge or consent.

In addition, some of the income tax refunds were deposited into a bank account owned and controlled by Walker. Six fraudulently obtained income tax refunds were deposited into Walker's bank account and at least one of the individuals was not aware that their personal identifying information was used to obtain the false income tax refunds. Also, Walker fraudulently endorsed U.S. Treasury tax refund checks that were deposited into other co-conspirators' bank accounts without the taxpayers' knowledge or consent.

Walker submitted at least 117 false claims for federal income tax refunds with the IRS, resulting in a total tax loss to the IRS of approximately \$236,943.

"Individuals who commit refund fraud and identity theft of this magnitude and with this degree of trickery, dishonesty and deceit, deserve to be punished to the fullest extent of the law," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "IRS Criminal Investigation has made investigating refund fraud and identity theft a top priority."

This case was prosecuted by Senior Litigation Counsel Anne L. Porter and was investigated by special agents of IRS-Criminal Investigation.

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